



USAID
FROM THE AMERICAN PEOPLE

KENYA

USAID 50 ANNIVERSARY

Kenya Dairy Sector Competitiveness Program



The USAID dairy program helps farmers obtain better breeds, grow better forage, learn conservation farming, and market their products. Farmers pay for the services.



Overview and Achievements

USAID's dairy program is increasing smallholder family income from the sale of quality milk. It is also building the dairy industry in Kenya—organizing small-scale farmers into dairy cooperatives for bargaining leverage; assisting cooperatives to create processing plants and distribution systems; aiding processors to create and market new, value-added products such as flavored yoghurt.

Importantly, the training and services provided by the USAID dairy program are paid for by the farmers and co-ops themselves—ensuring that the services are valued enough to be purchased—and also fostering new private-sector jobs in providing these services.

In 2010 alone, the program reached 103,882 households. It increased producers' incomes from the sale of milk by 28 percent. Collectively, the value of milk sold by farmers working with the program in 2010 was US\$ 73 million.

From its beginning in mid-May 2008, the dairy program has assisted over 250,000 producers, creating an estimated incremental household income \$129.4 million.

The goal is to reach 300,000 by the end of the program in 2013.

Building and rebuilding

The protracted violence stemming from the December 2007 elections disrupted milk production, collection, distribution and marketing in major parts of Rift Valley Province, Western Kenya and Nairobi, and decimated dairy herds. The program continues to address these heavy losses through training and linking farmers to suppliers of inputs, including a supply of well bred heifers. Farmers are also being encouraged to use up-to-date technologies such as artificial insemination.

In 2010 the program emphasized:

- Building the capacity of dairy cooperatives in management, governance and value addition, plus
- stimulating investment in other agricultural services and commodities that serve the dairy industry, and training smallholder farmers to deliver business services to each other on a commercial basis
- increasing support for policy and legislative reforms that are key to promoting increased production and processing of quality dairy products



During FY2010, the dairy program:

- Reached over 100,000 households
- Provided 25,000 farmers (23% female) with technical skills in dairy husbandry;
- Increased cow productivity from a baseline of 6.4 liters per cow per day in the program area to 8.0 liters, through improved feeds and feeding practices;
- Encouraged some 36% of program beneficiaries to use feed conservation technologies (silage, crop residues preservation and hay) compared to 11% observed during baseline survey;
- Reviewed and/or updated 18 standards for dairy products—helpful in quality control as well as marketing and trade. USAID also finalized development of the Good Manufacturing Practice (GMP) and the Dairy Code of Practice manuals. The GMP has been approved by the Kenya Bureau of Standards (KEBS) and is now the official standard.
- Kenya's Dairy Regulations, to which USAID contributed, was finalized. This is a major piece of legislation and will mark a key milestone once approved and adopted.

Contact Information

Erna Kerst Mervyn Farroe
*Mission Director Director
 Agriculture Business and
 Environment Office*

USAID/Kenya
 P.O. Box 629
 00621, Nairobi
 Kenya: Tel: 254-20-862-2000